



Housing Chapter Task Force

Saint Paul Comprehensive Plan 2008

4th meeting

February 21, 2007

Agenda

- Jim Bellus, Chair
- Speakers & Discussion:
 - Jon Gutzmann, Public Housing Agency
 - Staff, PED, City of St. Paul
 - Jim Erchul, Dayton's Bluff NHS
 - Bob Kessler, LIEP, City of St. Paul
- Rehab discussion
- 5 Key Trends to Inform the Next Housing Plan
- Survey of Neighborhood Assets
- Next Steps

City's Rehabilitation Programs

- Ownership
 - Existing Homeowners
 - Vacant Housing
- Rental / Apartments
- Home Mortgage Financing
 - Purchase & Rehab
 - Refinance & Rehab

City's Rehabilitation Programs

- Ownership / Existing Homeowners:
 - Home Improvement programs
 - Various State funded, 9% -7.5% (discounted to 4%), range of incomes
 - Principal Due on Sale, max \$25,000, <=50% AMI (basic and necessary improvements)
 - Attached ownership housing
- Vacant housing – Single Family Development
 - Value gap subsidy (developers)
 - Home mortgage special assistance (buyers)

Typical funding sources: CDBG/HOME, STAR, HRA, funding partners (MHFA, FHF, Met Council), lenders & owner funds

City's Rehabilitation Programs

- Rental Apartments:
 - No established guidelines; negotiated / case-by-case approval
 - Often used for Preservation of publicly-assisted affordable housing
 - Preserving both buildings and affordability
 - Generally **not** used for single-family and duplex rental units

Typical funding sources: CDBG/HOME, STAR, HRA, revenue bonds/tax credits, funding partners, lenders & owner/developer funds

City's Rehabilitation Programs

- Home Mortgage Financing
 - Purchase loan w/rehab
 - Refinance loan w/rehab

Typical funding sources:

- 1st mortgage: Revenue bonds, lenders
- Special assistance: Bond proceeds, CDBG/HOME, STAR, HRA, funding partners

Jim Erchul

Dayton's Bluff Neighborhood Housing Services

- What rehab DBNHS does (who, volume/yr., trends)
- Costs of rehab
- What should the City's function in rehab be?

City Demolition Criteria ...

Bob Kessler - LIEP

Existing Approach

- Case-by-case basis
- Complaint-driven
- Categories II and III vacants, >1 yr.
- 6 month abatement period
- Council can extend abatement time by 90 days
- Demo costs paid by owner through assessments

Invest-St. Paul

- Response to more vacants (X 4)
 - 50% of properties in abatement period expected to be found for demolition
- Concentration of deteriorated units: North End, Dayton's Bluff, Payne-Phalen
- No official "cost assessment" done for each unit, but inspectors have idea
- Goal = "Rehab first," demolition as last resort
 - Incorporate HPC review

What Has Worked? What Hasn't?

- Deferred Payment Program - well used...
How to improve?
- Should/can the City fund rehab of SF and duplex rental properties?
 - vs. traditionally – multifamily, rental apt rehab
- How should the City retain and attract middle-income households? Strategy?

What Has Worked? What Hasn't?

- Under which conditions does/can rehab spur private improvements?
- Should the City use geographic targeting? (vs. traditionally – “first come, first serve.”)

Staff Analysis of Data: 5 Key Trends to Inform the Next Plan

1. Over the next 10 years, Saint Paul will grow
2. Small households dominate the city, and this trend will continue
3. Housing affordability has declined broadly due to several factors, and these trends must inform housing planning
4. New construction in Saint Paul will continue to be dominated by smaller units in multifamily buildings, with a focus on transportation corridors
5. Saint Paul neighborhoods will require a variety of strategies for the preservation of traditional assets, and the cultivation of new ones

Neighborhood Assets

- What are the **existing** assets to preserve in St. Paul neighborhoods?
- How are such assets protected/preserved?
 - How to maintain housing stock?
 - The role of code enforcement?
 - Rehab vs. Demolition?
 - Historic preservation in middle-income neighborhoods?
- What are **new** assets that should be fostered?

Neighborhood Assets

- Existing assets?
 - Quality of housing stock?
 - Public schools?
 - Availability of jobs/job training?
 - Well-maintained infrastructure?
- New assets?
 - Preserve/provide range of housing in all neighborhoods (“Locational choice”)?
 - Encourage sustainable housing design?
 - How to capitalize off of market interest in the Central Corridor?

What should be our priority actions, given budget constraints?
Who should be our partners? How to involve them?

Next Steps

- **Meeting topics schedule:**
 - March: Corridor Housing / Other inter-city development
 - April: Emerging Markets, Senior & Special Needs Hsg
 - May: Building Design & Sustainability
 - June: Housing Finance (1 or 2 meetings)
- **Next meetings**
 - March 13: EMHI Summit
 - March 28: 2nd Community Comment Meeting (place TBA) – “Affordable Housing for Low-Moderate Incomes”
 - May 16-17: MN Green Communities conference

Questions? Comments?



Standing Questions

➤ What will the City need to do to ensure such housing is provided, given:

- Lack of developable land (density)
- Decreasing affordability of housing & transportation
- Limited City resources (target/leverage)

➤ Existing plan strategies – revisit

- ✓ Take care of what we have
- ✓ Meet new market demand
- ✓ Ensure the availability of affordable housing



Source: A Heavy Load,
Center for Housing Policy.